

LNG Export Projects Update

LNG ALLIES AND OEM MEMBERS

■ Cameron LNG

Sempra Energy (Cameron's 51.3% majority owner) announced (Sept. 13) that Joseph A. Householder is now Corporate Group President of Infrastructure Businesses. Reporting to Sempra Energy CEO Debra L. Reed, he will oversee Sempra's midstream, LNG, renewable energy, and Mexican operations.

■ Sabine Pass

Cheniere Energy said (Sept. 16) that it had "taken control" of Sabine Pass Train 2 from Bechtel. The turnover (on Sept. 15) was, Cheniere said, "being done in coordination with a previously planned outage to improve the performance of the flare systems at Sabine Pass, as well as to perform scheduled maintenance to Train 1 and other facilities." Under a sale and purchase agreement (SPA) with Gas Natural Fenosa, the date of first commercial delivery for Train 2 is expected to occur in August 2017 upon which the SPA's 20-year term commences. In other news, Cheniere Energy President and CEO Jack Fusco announced (Sept. 19) his new executive leadership team. Michael Wortley, is now Executive Vice President and Chief Financial Officer, "responsible for guiding long-term financial strategy and increasing financial transparency," and Anatol Feygin is Executive Vice President and Chief Commercial Officer, "responsible for optimizing... assets and margin capture by focusing on continued innovation and underwriting new liquefaction capacity." Other appointments include: Tom Bullis, Executive Vice President and Chief Administrative Officer; Ed Lehotsky, Senior Vice President, Engineering and Construction; and Doug Shanda, Senior Vice President, Operations.

■ Corpus Christi

Cheniere Energy's latest progress report (Aug. 22) for the Corpus Christi liquefaction project indicates that: engineering has progressed to 98.7%; procurement has progressed to 55.5%; EPC contractor Bechtel's direct



Photo by Freeport LNG

hire construction through July was 10.4%; and the total project has progressed to 39.5% complete. In a related matter, Transcontinental Gas Pipe Line (Transco) filed an application (Aug. 16) with the Federal Energy Regulatory Commission (FERC) to construct and operate the "Gulf Connector Expansion Project," which would provide 400,000 dry tons/day of firm transportation service to Corpus Christi Liquefaction and 75,000 tons/day of firm transportation service to Osaka Gas Trading & Export. The Gulf Connector Expansion Project will interconnect with the Cheniere Corpus Christi Pipeline.

PROJECTS UNDER CONSTRUCTION

■ Cove Point LNG

At the Barclays CEO Energy-Power Conference (Sept. 8) Dominion Resources said that it's Cove Point (Lusby, Maryland) Liquefaction project had reached completion as follows: (1) engineering is 99% complete; (2) procurement is 99% complete; (3) the project, overall,

has reached a completion point of 71%. There are currently some 1,800 construction personnel on site.

■ **Freeport LNG**

The Gulf Connector Expansion Project (see the Corpus Christi entry above) will also interconnect with Gulf South's Coastal Bend Header Project to provide Osaka with transportation service to the Freeport LNG export terminal under construction in Brazoria County, Texas.

PROJECTS LICENSED BUT NOT IN CONSTRUCTION

■ **Lake Charles LNG**

Energy Transfer's Lake Charles LNG export project in Louisiana filed a request (Sept. 13) to increase its export authorization. The U.S. Department of Energy (DOE) previously licensed the facility to export up to 15 million metric tons per year (mtpa) to both free trade agreement (FTA) and non-FTA nations. Lake Charles asked DOE to increase the authorization to allow for the export of additional LNG produced under "optimized conditions." Although Energy Transfer owns the Lake Charles LNG import terminal and the export project, both the company and Shell must make separate final investment decisions (FIDs) on the facility. FERC authorized construction of the \$10.9 billion project last December, but Shell in July indefinitely delayed an FID.

PROJECTS IN FORMAL FERC / DOE REVIEW

■ **Calcasieu LNG**

Venture Global LNG, Inc., announced that it has closed a fifth round of equity investment, raising an additional \$15 million and bringing the total raised to date

to over \$280 million. The proceeds will fund the company's proposed 10 mtpa Calcasieu Pass LNG facility at the intersection of the Calcasieu Ship Channel and the Gulf of Mexico, and the proposed 20 mtpa Plaquemines LNG facility in Plaquemines Parish, Louisiana, on the Mississippi River 30 miles south of New Orleans.

■ **Rio Grande LNG**

NextDecade announced (Sept. 8) that DOE has authorized the export of LNG from the firm's proposed Rio Grande LNG facility to FTA countries. Responding to an application filed in December 2015, the DOE order authorized the export of up to 27 Mtpa of LNG (equivalent to approximately 3.6 Bcf/d natural gas) for a 30-year term. In November 2015, NextDecade announced it had signed non-binding agreements for 14 mtpa of LNG with customers across Asia and Europe. Since then, that number has grown to 30 mtpa. NextDecade said that it expects to receive FERC approval for Rio Grande LNG in 2017 with initial LNG exports shipping by the end of 2020.

PROJECTS IN FERC PRE-FILING

■ **Alaska LNG**

The State of Alaska, acting through the Alaska Gasline Development Corp. (AGDC) and ConocoPhillips announced (Sept. 22) that they have signed a memorandum of understanding regarding negotiations to form a joint venture to market LNG from the proposed Alaska LNG project. According to the press release, AGDC and ConocoPhillips also intend to solicit the other major North Slope producers (ExxonMobil and BP) in the formation of the joint venture.

■ **Driftwood LNG**

Tellurian Investments (parent of Driftwood LNG) announced (Aug. 31) that Meg Gentle has joined the firm as President, CEO, and a member of the Board of Directors. Gentle has also made a \$10 million private investment in Tellurian. Gentle recently left Cheniere Energy, where she served as Executive Vice President of Marketing. Tellurian also announced (Sept. 26) that R. Keith Teague has joined the company as Executive Vice President and Chief Operating Officer. Teague also recently left Cheniere.



ABOUT US

LNG Allies is a nonprofit organization working to expedite and maximize U.S. liquefied natural gas exports to create a more liquid global natural gas marketplace, enhance the energy security of America's allies, and improve economic and environmental conditions worldwide.

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